

1 Michael D. Adams (State Bar No. 185835)
2 madams@rutan.com
3 Meredith L. Williams (State Bar No. 292888)
4 mwilliams@rutan.com
5 Seth M. Jessee (State Bar No. 310983)
6 sjessee@rutan.com
7 RUTAN & TUCKER, LLP
8 611 Anton Boulevard, Suite 1400
9 Costa Mesa, California 92626-1931
10 Telephone: 714-641-5100
11 Facsimile: 714-546-9035

12 Attorneys for Plaintiff
13 Brandman University

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

BRANDMAN UNIVERSITY, a
California corporation,

Plaintiff,

vs.

EDGENUITY, INC., a Nevada
corporation.

Defendant.

Case No. 8:18-cv-1137

COMPLAINT FOR:

- 1. DECLARATORY JUDGMENT
OF NO TRADEMARK
INFRINGEMENT, FALSE
DESIGNATION OF ORIGIN OR
UNFAIR COMPETITION**
- 2. DECLARATORY JUDGMENT
OF PLAINTIFF'S RIGHT TO
REGISTER THE BRANDMAN
MYPATH MARK**

JURY TRIAL DEMANDED

1 Plaintiff Brandman University (“Plaintiff” or “Brandman”) alleges as follows
 2 for its Complaint against defendant Edgenuity, Inc. (“Defendant” or “Edgenuity”):

3 **NATURE OF THE ACTION**

4 1. Brandman seeks a judicial declaration to remove the cloud that
 5 Defendant has placed over Brandman’s right to use its BRANDMAN MYPATH
 6 trademark. Brandman sought a co-existence agreement from Defendant with
 7 respect to the parties’ respective marks. Defendant rejected Brandman’s request
 8 and, in response, demanded that Brandman cease all use of its BRANDMAN
 9 MYPATH mark. Defendant invoked the language of trademark infringement,
 10 thereby creating in Brandman a reasonable apprehension of fear that Defendant will
 11 sue Brandman if Brandman continues to use the BRANDMAN MYPATH mark.
 12 This action seeks a declaratory judgment that there is no likelihood of consumer
 13 confusion and that Brandman is not liable for trademark infringement and/or related
 14 claims for relief based on its use of the BRANDMAN MYPATH mark, and that
 15 Defendant’s MYPATH mark does not serve to block registration of Brandman’s
 16 mark with the United States Patent and Trademark Office (“USPTO”).

17 **JURISDICTION AND VENUE**

18 2. The Court has jurisdiction over the subject matter of this lawsuit
 19 because this litigation arises under the Lanham Act, 15 U.S.C. §§ 1051 et seq. The
 20 Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a), and
 21 under the Federal Declaratory Judgment Act, 28 U.S.C. § 2201-02.

22 3. The Court has personal jurisdiction over Defendant because Defendant,
 23 on information and belief, conducts business in the State of California and within
 24 this judicial district, including the sale of services under its MYPATH mark. The
 25 Court also has personal jurisdiction over Defendant because the acts giving rise to
 26 the conduct complained of herein occurred in California, and adversely affect
 27 Brandman, a resident of California in this judicial district.

28 4. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)

1 because the claims alleged by Defendant arose and are continuing to occur in this
2 district.

3 5. An actual case or controversy exists between the parties. Defendant
4 has invoked the language of trademark infringement and demanded that Brandman
5 cease use of the BRANDMAN MYPATH mark, thereby giving Brandman a
6 reasonable apprehension of a threat of litigation. Defendant's statements threaten
7 injury to Brandman.

THE PARTIES

9 6. Brandman is a private, non-profit, fully accredited university in Orange
10 County, California located at 16355 Laguna Canyon Road, Irvine, California 92618.

11 7. On information and belief, Defendant is a Nevada corporation with its
12 principal place of business located at 8860 East Chaparral Road, Suite 100,
13 Scottsdale, Arizona 85250.

FACTUAL ALLEGATIONS

Brandman's Mark

16 8. Brandman is a separate, fully-accredited university within the
17 Chapman University system. Brandman offers adult students who are admitted to
18 Brandman self-paced online programs to obtain a fully accredited bachelors or
19 graduate degree.

20 9. Students who apply to Brandman must provide their high school
21 diploma or GED equivalent, as well as math and English/reading competencies.

22 10. Brandman owns a federal trademark registration for the
23 BRANDMAN UNIVERSITY mark registered on the Principal Register on May 4,
24 2010:

Mark	Reg. No.	Services
BRANDMAN UNIVERSITY	3786488	International Class 41: Educational services, namely, providing online courses at the college and graduate school level using self-directed, non-term, and direct

Mark	Reg. No.	Services
		assessment competency-based education programs.

11. Brandman also owns an application to register the BRANDMAN
MYPATH mark as follows (the “Brandman Application”):

Mark	Ser. No.	Services
BRANDMAN MYPATH	87417855	Class 41: Educational services, namely, providing online courses at the college and graduate school level using self-directed, non-term, and direct assessment competency-based education programs. Class 42: Platform as a service (PAAS) featuring computer software platforms for delivery of online courses at the college and graduate school level; platform as a service (PAAS) featuring computer software platforms for coordinating programs, namely, live projects featuring experiential learning, and student participation and achievement in such live projects at the college and graduate school level; platform as a service (PAAS) featuring computer software platforms for providing competency-based assessments for evaluating academic achievement and measuring competency in relation to student involvement in experiential learning environments at the college and graduate school level; platform as a service (PAAS) featuring computer software platforms for integration of educational content databases with programs featuring experiential learning and provision of competency-based assessments for evaluating academic achievement and measuring competency in relation to student involvement in experiential learning environments at

Mark	Ser. No.	Services
		the college and graduate school level.

12. Brandman's services under the BRANDMAN MYPATH mark are
 13 marketed to college level students interested in Brandman's self-paced, online
 14 business and IT degree programs to obtain a career-centric bachelor's or graduate
 15 degree from Brandman University.

16. The BRANDMAN MYPATH mark is distinctive and serves to identify
 17 and indicate Brandman as the source of its online, college-level, competency-based
 18 educational services.

19. The USPTO suspended further action on the Brandman Application
 20 on or about February 15, 2018 because of Defendant's earlier-filed application for
 21 the MYPATH mark.

Defendant's Marks

22. Defendant owns a federal trademark registration for the mark
 23 EDGENUITY MYPATH registered on the Principal Register on October 20, 2015
 24 (the "Edgenuity Registration"):

Mark	Reg. No.	Services
EDGENUITY MYPATH	4837416	Class 9: Educational software and downloadable educational software featuring individualized coursework and assessments for grades K-12 education in the fields of math and reading. Class 41: educational services, namely, providing individualized on-line courses of instruction featuring assessments in the fields of math and reading for grades K-12 education Class 42: Software as a service (SAAS) featuring educational software for individualized coursework instruction and assessments for grades K-12 education in the fields of math and reading

16. Defendant also owns an application to register the mark MYPATH (the “Edgenuity Application”):

Mark	Ser. No.	Services
MYPATH	87202343	<p>Class 41: Educational services, namely, providing individualized on-line courses of instruction featuring assessments in the fields of math and reading for grades K-12 education</p> <p>Class 42: Software as a service (SAAS) featuring educational software for individualized coursework instruction and assessments for grades K-12 education in the fields of math and reading</p>

17. On information and belief, Defendant's services under the EDGENUITY MYPATH and MYPATH marks (collectively, "Defendant's Marks") are marketed to educators as an online, educational intervention program offering differentiated instruction in reading and mathematics to students in grades K-12 that need help in closing learning gaps.

Defendant's Conduct Creating a Justiciable Controversy

18. On October 6, 2017, Brandman sent Defendant a letter noting that the Edgenuity Application was cited against the Brandman Application by the USPTO and requesting a co-existence agreement. The October 6, 2017 Letter is attached as **Exhibit A**.

19. On January 11, 2018, Edgenuity sent Brandman a letter contending that Brandman is infringing Defendant's trademarks and demanding that Brandman cease all use of the BRANDMAN MYPATH mark. The January 11, 2018 letter is attached as **Exhibit B**.

20. In its January 11, 2018 letter, Defendant contends that Brandman is infringing Defendant’s trademarks. Defendant asserts that Edgenuity and Brandman “offer services that are – for purposes of trademark law – identical” and “direct

1 those services at the same consumers.” Defendant’s letter states that “Brandman’s
 2 uses of MYPATH, alone and with BRANDMAN, are, respectively, identical or
 3 highly similar to Edgenuity’s MYPATH mark.” The letter further states that “both
 4 our clients’ consumers – could easily encounter both marks, and confuse them” and
 5 this “may therefore constitute trademark infringement . . . the consequences of
 6 which are significant.” Additionally, the letter states Defendant “must protect the
 7 goodwill of its brand and guard against unauthorized use of its marks or similar
 8 marks.”

9 21. The January 11, 2018 letter “demands” (i) that Brandman abandon its
 10 trademark application, (ii) cease all use of the BRANDMAN MYPATH mark; and
 11 (iii) cease use of any domain name that includes MYPATH. The letter also states
 12 that Defendant reserves its rights to take any additional action.

13 22. In subsequent follow up discussions between counsel for Brandman
 14 and Defendant, Defendant’s counsel continued to maintain that the BRANDMAN
 15 MYPATH mark, as used in connection with the services specified in the Brandman
 16 Application, is likely to cause consumer confusion with Defendant’s Marks.

17 23. Brandman denied Defendant’s assertions of trademark infringement
 18 and maintained that its use of the BRANDMAN MYPATH mark does not constitute
 19 trademark infringement or otherwise violate Defendant’s rights.

20 24. Brandman sought a co-existence agreement with Defendant, which
 21 Defendant rejected on the purported grounds that Brandman’s use of the
 22 BRANDMAN MYPATH mark in connection with the services specified in the
 23 Brandman Application is likely to cause consumer confusion and constitutes
 24 trademark infringement.

25 25. On May 10, 2018, Defendant sent a letter to Brandman confirming its
 26 position that it would not enter into a co-existence agreement with Brandman. On
 27 information and belief, in an attempt to divest the Court of subject matter
 28 jurisdiction to hear this controversy, Defendant’s letter states that Defendant “does

1 not plan to sue for infringement of its MYAPTH mark at this time.” The May 10,
2 2018 letter is attached as **Exhibit C**.

3 26. Despite its stated intent not to sue Brandman for infringement “at this
4 time,” Defendant has not covenanted not to sue Brandman for its use of the
5 BRANDMAN MYPATH mark. Brandman is, therefore, under a cloud as to its right
6 to use the BRANDMAN MYPATH mark given Edgenuity’s statements alleged
7 above that Brandman’s use the BRANDMAN MYPATH mark is likely to cause
8 consumer confusion and constitutes trademark infringement. *EMMI, Inc. v. Tacori*
9 *Enterprises*, No. CV 08-552 DSF (VBKx), 2008 WL 11338264, at *3 (C.D. Cal.
10 Apr. 3, 2008) (“The statement regarding Defendant’s present intention to sue is
11 meaningless, as Defendant could decide to sue at any time in the future.”); *Active*
12 *Sports Lifestyle USA, LLC v. Old Navy, LLC*, No. SACV 12-572 JVS (Ex), 2012
13 WL 2951924, at *3 (C.D. Cal. July 16, 2012) (finding a substantial controversy
14 existed where party stated “there is no threat of suit,” but did not covenant not to
15 sue); *Societe de Conditionnement en Aluminium v. Hunter Eng’g Co.*, 655 F.2d 938,
16 945 (9th Cir. 1981) (“It is not relevant that [defendant] attempted to withdraw its
17 ‘threat’ after the filing of this lawsuit. We do think it relevant, in the light of the
18 circumstances, that [defendant] has not indicated that it will not sue [plaintiff] for
19 infringement.”).

COUNT I

For Declaratory Judgment of No Trademark Infringement or Unfair Competition

23 27. Plaintiff repeats and incorporate herein by reference each and every
24 allegation contained in Paragraphs 1 through 26 above, inclusive, as though fully set
25 forth herein.

26 28. Defendant contends that Brandman's use of the BRANDMAN
27 MYPATH mark in connection with the services identified in the Brandman
28 Application is likely to cause consumer confusion, and constitutes trademark

infringement and related claims for relief. Brandman denies these contentions.

2 29. Defendant's conduct alleged above gives rise to a reasonable
3 apprehension of fear on the part of Brandman that it will face suit under Section
4 32(1) of the Lanham Act, 15 U.S.C. §1114(1) and/or Section 43(a) of the Lanham
5 Act, 15 U.S.C. § 1125(a), and/or common law trademark infringement and unfair
6 competition, if Brandman continues to use the BRANDMAN MYPATH mark in
7 connection with the services identified in the Brandman Application. Brandman
8 denies having any such liability.

9 30. Brandman contends that Defendant is not entitled to injunctive relief
10 and/or any of the monetary remedies set forth in Section 35 of the Lanham Act, 15
11 U.S.C. § 1117 (including but not limited to profits, damages, costs, or attorney's
12 fees) based on Brandman's use of the BRANDMAN MYPATH mark in connection
13 with the services identified in the Brandman Application. On information and
14 belief, Defendant denies these contentions.

15 31. A justiciable controversy exists between Brandman and Defendant
16 concerning Brandman's use of the BRANDMAN MYPATH mark in connection
17 with the services identified in the Brandman Application.

COUNT II

**For Declaratory Judgment of Plaintiff's Right to Register the BRANDMAN
MYPATH Mark**

21 32. Plaintiff repeats and incorporates herein by reference each and every
22 allegation contained in Paragraphs 1 through 31 above, inclusive, as though fully set
23 forth herein.

24 33. Brandman contends, and Defendant disputes, that the Brandman
25 Application should proceed to registration because there is no likelihood of
26 consumer confusion arising from Brandman's use of the BRANDMAN MYPATH
27 mark in connection with the services specified in the Brandman Application.

28 || 34. Brandman is entitled to a declaration authorizing and directing the

1 USPTO to find that Defendant's MYPATH mark does not serve to block
2 registration of Brandman's BRANDMAN MYPATH mark in connection with the
3 services specified in the Brandman Application.

4 **PRAYER FOR RELIEF**

5 WHEREFORE, Brandman requests that the Court declare and enter judgment
6 against Defendant as follows:

7 1. That Brandman's use of the BRANDMAN MYPATH mark in
8 connection with the services identified in the Brandman Application is not
9 likely to cause consumer confusion, does not constitute trademark
10 infringement, false designation of origin or common law trademark
11 infringement or unfair competition, and does not violate any rights of
12 Defendant;

13 2. That the USPTO is authorized to and shall find that Defendant's
14 MYPATH mark does not serve to block registration of the BRANDMAN
15 MYPATH mark;

16 3. Awarding Brandman its attorney's fees, costs, and expenses
17 pursuant to 15 U.S.C. §1117, this case being exceptional; and

18 4. For Brandman to have such other and further relief as the Court
19 deems just and equitable.

20
21 Dated: June 28, 2018

RUTAN & TUCKER, LLP
MICHAEL D. ADAMS
MEREDITH L. WILLIAMS
SETH M. JESSEE

22
23 By: /s/ Michael D. Adams
24 Michael D. Adams
25 Attorneys for Plaintiff
26 Brandman University
27
28

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all issues so triable.

| Dated: June 28, 2018

RUTAN & TUCKER, LLP
MICHAEL D. ADAMS
MEREDITH L. WILLIAMS
SETH M. JESSEE

By: /s/ *Michael D. Adams*

Michael D. Adams
Attorneys for Plaintiff
Brandman University